

**Introduced by Senator Burton**

February 20, 2002

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An act to amend Section 22200 of, and to add Section 22200.5 to, the Education Code, relating to the State Teachers' Retirement System, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1580, as introduced, Burton. Teachers' Retirement Board.

Under existing law, the State Teachers' Retirement System and the State Teachers' Retirement Plan are administered by the 12-member Teachers' Retirement Board. Two of the members of the board must be members of the system or the plan, who are classroom teachers in kindergarten or grades 1 through 12, and another member must be a retirant of the system or the plan. All 3 of these members are appointed by the Governor for 4-year terms from a list submitted by the Superintendent of Public Instruction. Another member of the board is required to be a community college instructor with expertise in business or economics or both, and is appointed by the Governor for a 4-year term from a list submitted by the Board of Governors of the California Community Colleges.

This bill would, instead, require that all 4 of these members of the board be elected, at elections conducted by the board, by the members of the group to which they belong, for 4-year terms, to commence at specified intervals. It would require that 2 members be classroom teachers of kindergarten or grades 1 through 12.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 22200 of the Education Code is amended to read:

22200. (a) The plan and the system are administered by the Teachers' Retirement Board. The members of the board are as follows:

(1) The Superintendent of Public Instruction.

(2) The Controller.

(3) The Treasurer.

(4) The Director of Finance.

(5) One person who, at the time of appointment, is a member of the governing board of a school district or a community college district. *The member shall be appointed by the Governor for a four-year term from a list submitted by the Superintendent of Public Instruction.*

(6) Three persons who are either members of the Defined Benefit Program or participants in the Cash Balance Benefit Program, as follows:

(A) Two persons who, at the time of ~~appointment~~ *election*, are *classroom teachers and active members of the system or participants of the Cash Balance Benefit Program. These members shall be elected by the active members of the system or participants of the Cash Balance Benefit Program who are classroom teachers in kindergarten or grades 1 through 12, for four-year terms commencing upon the expirations of the terms in existence on January 1, 2003.*

(B) One person who, at the time of ~~appointment~~ *election*, is a community college instructor ~~with expertise in the areas of business or economics or both business and economics and who shall be appointed by the Governor for a term of four years from a list submitted by the Board of Governors of the California Community Colleges~~ *who shall be elected by the active community college members of the system. This member shall be elected pursuant to regulations adopted by the board, for a four-year term, commencing upon the expiration of the term in existence on January 1, 2003.*

(7) ~~One person who is either a retired member under this part or a retired participant under Part 14 (commencing with Section 26000)~~ *member who is a retired member of the Defined Benefit*

*Program or a participant receiving an annuity under the Cash Balance Benefit Program elected by the retired members of the Defined Benefit Program and the participants receiving an annuity under the Cash Balance Benefit Program. This member shall be elected pursuant to regulations adopted by the board, for a four-year term, commencing upon the expiration of the term in existence on January 1, 2003.*

(8) One officer of a life insurance company appointed by the Governor for a term of four years, subject to confirmation by the Senate.

(9) One officer of a bank or a savings and loan institution who has had at least five years of broad professional investment experience handling various asset classes such as stocks, bonds, and mortgage investments and who shall be appointed by the Governor for a term of four years, subject to confirmation by the Senate.

(10) One person representing the public, appointed by the Governor for a term of four years, subject to confirmation by the Senate.

~~(b) The members term of the board office of each member described in paragraphs (5) and (7) and subparagraph (A) of paragraph (6) paragraph (5) of subdivision (a) shall be appointed by the Governor for four year terms from a list submitted by the Superintendent of Public Instruction adjusted so as to commence on January 1 and to expire on December 31 of the calendar year.~~

(c) The members of the board shall annually elect a chairperson and vice chairperson.

SEC. 2. Section 22200.5 is added to the Education Code, to read:

22200.5. (a) The board shall conduct the elections of members described in paragraphs (6) and (7) of subdivision (a) of Section 22200 pursuant to regulations adopted by the board.

(b) The board shall hold special elections to fill vacancies that occur during the term of the elected members of the board. If, at the time a vacancy occurs, the unexpired term is less than two years, the new member elected to fill the vacancy shall hold office for a period equal to the remainder of the term of the vacated office plus four years.

(c) The regulations adopted by the board pursuant to this section and Section 22200 shall not be subject to Article 3.5

1 (commencing with Section 11340) of Part 1 of Division 3 of Title  
2 2 of the Government Code.

3 (d) The regulations adopted by the board shall provide that the  
4 elections be conducted in the most cost-effective manner deemed  
5 feasible. The board, where practicable, shall consolidate election  
6 mailings with other mailings and shall address any other feasible  
7 cost-saving measures.

